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C O N F I D E N T I A L SECTION 01 OF 03 RIYADH 008406

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E.O. 12958: DECL: 10/22/2016
TAGS: [EFIN](#) [PTER](#) [KTFN](#) [ETTC](#) [SA](#)
SUBJECT: THE SAUDI FINANCIAL INTELLIGENCE UNIT III:
RELATIONSHIP WITH MOI AGENCIES AND CUSTOMS

REF: A. RIYADH 9221
[1](#)B. RIYADH 8401
[1](#)C. RIYADH 8404

Classified By: Acting Deputy Chief of Mission Robert Silverman for reasons 1.4 (b), (d) and (g).

[1](#)1. (U) Summary: From September 16-19, Ahmed Elbashari, representative of the U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN), and EconOff, met with senior management of the Saudi Arabia Financial Investigation Unit (SA FIU) to assess the SA FIU for membership in the Egmont financial intelligence units. This cable is one of four reviewing the FINCEN visit, and focuses on the SA FIU's relationship with the Public Security Agency (PSA), Mabathith, and Customs Authority. In essence, the SA FIU collects the information, however the real investigation and analysis comes from the PSA and Mabathith. End Summary.

[1](#)2. (U) Senior representatives of the Saudi Arabian Government (SAG) interlocutors on the law enforcement part of the assessment included:

--Dr. Saud Al-Muriedhd, Director of the SA FIU;
--Khalid Al-Luhaidan, Deputy Director of the SA FIU;
--Naser Al-Omar, Head of the Department of Information Exchange and Follow up;
--Musfer Kahtani, Deputy head of the Department of Information Exchange and Follow up;
--Colonel Khedher Bin Al-Zahrani, Administration Director of Criminal Research in Public Security of the PSA;
--Captain Ahmed Al-Luhaidan, Head of the anti-money laundering unit in the drug enforcement branch of the PSA;
--Colonel Abdul-Kareem Al-Sbait, Head of the Interrogation Department of the Mabathith;
--Colonel FNU LNU, Head of the Investigation Department; and
--Colonel Fahad Abdulaziz Al-Maghlooth, General Supervisor of the SA FIU and Chief of the Permanent Committee on Counterterrorism at the MOI.

[1](#)3. (C) The SA FIU's Deputy Director, Al-Luhaidan was absent for meetings at the SA FIU, but was present at the Mabathith meeting. Al-Luhaidan is assisting to set up the Mabathith's newly created Investigation Department. End comment.

THE SA FIU'S PARTNERSHIP WITH THE PUBLIC SECURITY AGENCY

[1](#)4. (U) The PSA has approximately thirteen field offices

throughout the Kingdom of Saudi Arabia (KSA). The field offices have two branches, Criminal Investigations and Drug Enforcement. Both branches have specialized departments that investigate money laundering. The PSA handles only money laundering crimes; terrorist financing crimes are handled by the Mabahith. There are PSA personnel detailed to the SA FIU, working primarily in the Information Gathering and Analysis Section. The PSA and SA FIU have coordination and information sharing meetings approximately every ten days.

¶15. (C) The PSA and SA FIU utilize the National Information Center (NIC), a database in which all law enforcement agencies populate and search. The PSA also utilizes a secondary database restricted to PSA employees that contains sensitive law enforcement information. In the future, the secondary database will also be available to the SA FIU.

THE PSA'S INVESTIGATION STEPS

¶16. (U) The PSA receives Suspicious Transaction Reports (STRs) from the SA FIU, which are routed to the criminal investigative branch or the drug enforcement branch.

¶17. (C) The branch investigates and gathers information using various law enforcement techniques such as: database checks, analysis, source interviews, undercover operations and other sensitive methods. For undercover operations, the PSA has a specialized department with personnel that mimic different nationalities, accents, professions etc. The undercover employees are officers, soldiers, and staff employees. If the target is Westerner, the PSA utilizes

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maids, drivers, friends to infiltrate the circle, and collect information. The PSA provides collected information to the SA FIU for analysis. The preliminary stages of an investigation generally take one week.

¶18. (U) In Sharia law there are only two ways to obtain a conviction: 1) a confession or 2) a witness. When asked about DNA evidence, the PSA stated that judges are coming around to scientific evidence, but it must be 100% accurate. The PSA stated that DNA tests are not 100% accurate so three separate showings of guilt must be presented along with the DNA.

¶19. (C) Comment: The Saudi justice system does not believe in the accuracy of DNA evidence, rather, it relies on confessions or witnesses, which are not proven to be wholly reliable.

PSA'S TECHNOLOGY & SECURITY

¶10. (SBU) The Riyadh office has approximately one hundred officers. Resources and staffing are allocated based on the size of the area, frequency of the offenses in an area, and how its remoteness is.

¶11. (C) The district offices use a encrypted phone and fax machine to communicate. The PSA utilizes dogs to detect drugs, but not to detect money. (Comment: One of the PSA officers was surprised when told dogs can be trained to detect large bundles of cash. End comment). The Customs Authority utilizes an x-ray machine that detects gold jewelry and bundles of paper.

PSA'S QUALIFICATIONS & TRAINING

¶12. (U) The money laundering units recruit people trained in accounting, economics, law, business administration and

criminal justice. The qualifications for non-commissioned officers are a highschool degree from a vocational school, technical background or a background in financial issues. The money laundering units provide training courses through the Saudi Arabian Monetary Agency's (SAMA) banking institute, anti-money laundering courses at Prince Naif University, and King Fahad University's High Institute for Security Studies. There are also training institutes in Medina, as well as training workshops in district offices. In the future for those that speak foreign languages, courses will be offered in the U.S. & Europe.

THE SA FIU'S PARTNERSHIP WITH THE MABAHITH

¶13. (U) The Mabath's specialized Division on Terrorism and Terrorism Finance are broken into two units, Investigation and Interrogation. The Investigation Unit handles terrorism finance and public and private corruption. The Investigation Unit detains suspects and interviews them for additional lead information.

¶14. (SBU) The SA FIU passes the STR and analysis to the Investigation unit, who in turn conducts investigations similar to the PSA, and when necessary obtains financial records from SAMA. After the Investigation Unit has collected its evidence, primarily surveillance and security information, the information is sent back to the SA FIU for further analysis: this entire process could take four to six months. After sufficient evidence is obtained, the suspect is arrested and the case is passed to the Interrogation Unit. At this point the Interrogation Unit works directly with the Bureau of Investigation and Prosecution (BIP).

¶15. (SBU) The SA FIU has passed the Mabath four terrorist finance cases, but none have gone to prosecution. The Mabath is part of the FBI's Joint Terrorism Finance Task Force, which shares information and provide technical assistance. The SA FIU can freely share Mabath information with other FIUs as long as the appropriate safeguards and caveats are utilized. Like the PSA, the Mabath, look for

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similar requirements in recruiting new employees and utilize the same training programs and universities.

¶16. (C) Colonel Kareem, Head of the Interrogation Unit, stated that SAMA was not cooperating in providing financial information. He stated that the Mabath have a large number of detainees, and need personal and financial account information to adequately interrogate suspects. He charged SAMA in not releasing the information in a timely manner therefore impeding investigations.

SA FIU'S RELATIONSHIP WITH CUSTOMS

¶17. (U) The Customs Authority is in the process of preparing cash declaration forms, after which the 2005 Cash Courier Regulations will be enforced. Once the forms are issued, the SA FIU will receive a copy of the declaration form for recording-keeping. The Customs Authority will send the SA FIU those forms with cash declarations exceeding the legal threshold (SAR 60,000 or USD 16,000). Customs, along with the BIP will work together on the investigation.

¶18. (C) Comment. The SA FIU plays a nominal role in the financial investigations stemming from the Cash Courier Regulations. The SA FIU acts as a reference point for Customs, but has no real role investigatory power in these cases. End comment.
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